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MARKET FLASH

Monday, 16 Jan 2012

FBM KLCI DAILY CHART



TECHNICAL INDICATIONS

Support : 1501, 1491 Resistance : 1530, 1546
Bias : Upside

On the chart, the key FBM KLCI is expected to oscillate sideways with a marginal upward bias ahead, possibly climbing towards the immediate resistance barrier of 1,530 before it could move on to close the 1546 huge gap. At this juncture, the support to monitor is at 1501. Indicators including the MACD are still positive, which suggests there is upside bias.

COMMENTARY

Market down as heavyweights retreat ... The FBMKLCI fell on Friday as selected heavyweights lost ground, but it is not a reflection of the still sanguine marketplace. Sentiments remain firm with volumes higher, while losers slightly outpaced losers. Once again, penny stocks and call warrants dominated trading and topping the most active list.

Positive outlook still prevails ... Despite Friday's slight pullback, the market's positive undertone remains in place. As it is, rotational speculative buying activity on the lower liners prevailed to hold up market momentum.

MARKET STATISTICS

	Close	Chg.
LOCAL		
FBM KLCI	1523.07	(2.49)
Volume (m)	1766.3	
Value (RMm)	1608.9	
Up	373	
Down	397	
Unchanged	339	

FOREIGN

Nikkei	8500.02	114.43
Hang Seng	19204.42	109.04
STI	2791.54	47.88
Shanghai CI	2244.58	(30.43)

BURSA MOVERS

Gainers	Close (RM)	Chg (RM)
Mflour	7.86	0.31
Freight-WA	0.31	0.305
Supermx	4.55	0.21
Nestle	56.00	0.20
Carlbq	8.63	0.20

Losers	Close (RM)	Chg(RM)
Dlady	25.78	(0.32)
Fareast	6.90	(0.30)
Proton	5.18	(0.28)
TGOFFS-WA	0.50	(0.15)
Iretex	1.05	(0.12)

Actives	Close (RM)	Chg(RM)
Compugt	0.07	0.01
DRBHCom-CF	0.15	0.06
DRBHcom-CI	0.05	0.03
DRBHcom-CG	0.10	0.02
Utopia	0.065	0.00

Current Stock Review

Buy on Weakness – MAS



Chart wise:

Malaysia Airline System Bhd (3786) – Trading/Services – RM1.56.

MAS had rallied within a channel for the past several weeks from a low of around RM1.30 to a high of RM1.65. The chart pattern is constructive as its high and low points are getting higher. However, a pullback in the immediate to short-term is possible to consolidate the gains.

Downside pressure is expected to be capped at RM1.50 with support coming from the floor of the channel. Given the improving fundamentals, we expect MAS to maintain the up-trend channel over the medium-term.